and getting the lessees to plant up the area with teak trees in return, has already been sanctioned by Government, and will be tried in a few areas.

(3) Excise, Trade and Customs.

19. Certain defects in the Excise administration and suggestions for its improvement.

Mr. S. Subrahmanya Karayalar B. A. (Member, Shencottah Taluk) began by describing the present organisation of the Excise Department and suggested the possibility of reducing the 12 Excise Circles into which the State was divided into 5 in view of the improved means of communication available at present. In his opinion one Assistant Excise Commissioner would suffice for the Nagercoil, the Salt Factory and the Distillery Circles together; the existing railway communication would facilitate the amalgamation of the Trivandrum and Quilon Circles; an Assistant Excise Commissioner with headquarters at Quilon should be able to run the combined Circle; and a third Assistant Excise Commissioner might be placed in charge of the Alleppey and Arukutty Circles and the Parur taluk of the Alwaye Circle with headquarters at Arukutty. The Kottayam Circle might be abolished and the taluks of Kottayam and Changanacheri added on to the Kayankulam Circle (which might be called the Tiruvalla Circle) and the whole area entrusted to a fourth Assistant Excise Commissioner with headquarters at Tiruvalla; and the Piravam, Alwaye (except the Parur Taluk) and Muvattupuzha Circles together with the taluks of Ettumanur and Minachil might be constituted into a new Circle called the Muvattupuzha Circle and placed under a fifth Assistant Excise Commissioner with headquarters at Muvattupuzha, while the Devicolam Circle might with advantage be placed under the Devicolam Commissioner with powers to correspond directly with Government. Again, a Circle Officer and a Manager were unnecessary for the Excise Commissioner's office. All the Circles being thus placed under competent Assistant Commissioners, the Excise Commissioner should confine his attention to controlling and guiding the Department with little touring, if at all.

The Member next referred to the present method of recruiting executive officers in the Department from the clerical staff of the Secretariat and elsewhere and emphasised the need for appointing specially trained and really active men to such places. He advocated the institution of special examinations for the selection of competent men to hold executive posts, and stated that considerations of education, character and ability should weigh more than seniority in the matter of promotions. It should be possible for a really capable Inspector to become an Assistant Commissioner in due course and even the Commissionership should not be denied to him, if he was qualified for it educationally as well as in other respects; but a Petty Officer should on no account be permitted to rise above the rank of an Inspector.

Salt Administration.—Taking salt first, he thanked the Government for having carried out the suggestions put forward by him at the previous session of the Assembly in the matter of improving the condition of the Government salt factories. But it had to be remembered that the yield from those factories still represented only a fraction of the total output of salt in the State. Government were deriving annually from the licensees of the new factories an income of Rs. 1,50,000 in the shape of *melvaram* on 3½ lakhs of maunds of salt, over and above the duty thereon. If Government were prepared to spend but a year's profit on the new factories for bringing brine direct from the sea, the output would surely treble itself and the factories would be in a position to supply the needs of both Travancore and Cochin. The licensees too would not grudge contributing to the cost by paying a small cess on every maund of salt scraped. The Member then dwelt on the difficulties experienced by the licensees owing to the appointment of untrained men as Inspectors in salt factories and their frequent transfers and also adverted to the prayer made at the last session that Inspectors in salt factories might be given extra allowance and that they might not be transferred from the Salt Factory Circle. The salt industry in the State, he said, was in its infant stage and would die a premature death unless properly nursed. He was strongly against the importation of foreign salt

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which would compete unfairly with the local salt manufactured under difficult climatic and monsoon conditions. As a consequence of this competition he referred to the large quantities of local salt scraped during the Thye *pani* of last year and the Purattasi *pani* of the current year lying undisposed of in the factories, so much so that there was hardly any space left on the platforms in some of the factories for the storage of the salt that would be manufactured in the current Thye *pani*. He relied on the Administration report for 1096 to show that the total consumption of salt (both foreign and local) in the State was 10,54,495 maunds during the year and that the stock available for sale on the 1st Chingam 1097 was 10,41,735 maunds which was sufficient for the State's consumption for 1097, not to speak of the 8 lakhs of maunds that would be manufactured in the local factories during the current year. The Member, therefore, suggested that a conference of the various factory owners might be held at the end of each year to consider the necessity or otherwise of importing foreign salt during the succeeding year, due regard being had to the stock available in the various factories and Port Salt Depôts at the time.

The Member criticised the Salt Rules framed under section 77 of the Salt Regulation as inconsistent with both the Regulation and the agreements entered into by Government with the factory owners. He pointed out that under Section 10 of the Regulation the licensees were to be considered owners of the salt works and under condition 30 of the agreements they were to be in undisputed possession and enjoyment of the respective factories with the liberty under condition 12 of the same to manufacture as much salt as possible or to restrict the manufacture to the stipulated quantity due to Government; but according to the rules the licensees could have access to the places of manufacrure and storage only during such hours as the Excise Commissioner might fix for the purpose and they should commence and close manufacture within such dates as might be fixed by him and should not fail to work all the pans every year to their full capacity. He particularly drew attention to the anomaly in the rules which laid down that, while all the officers of the Excise Department, including Petty Officers and peons and the gazetted officers of the other Departments, could have free access to the factory and were at liberty to examine the salt stored at any time, the licensees who had invested lakhs of rupees in the manufacture were treated like strangers and denied admission to the factories except at stated dates and hours. He regarded condition 5 of the license which prohibited scraping on holidays as inconsistent with condition 4 which stipulated that no salt should be scraped when the density of the brine in the pan exceeded 30 degrees. He submitted that Excise officers in salt factories had no right to claim holidays during the scraping season for the reason that the rainy days which covered more than half the year were practically holidays to them.

Coming to the question of weighment of salt before storage, he complained that the process involved innumerable difficulties and unnecessary expenses which benefited nobody, while the quality of salt suffered very much by frequent handling. As for the justification that it was necessary to prevent malpractices, he asserted that even weighment before storage would not preclude the possibility of fraud. He thought that the purpose intended to be served by weighment could more easily be attained by ascertaining the cubical contents of the heaps and estimating the quantity by taking 1½ c. ft. as equivalent to one maund. He also condemned the present practice of Government taking the quantity of salt due to them under the agreement with the licensees from the best salt manufactured in the factories. He then prayed for the deletion of the rule which provided for the forfeiture of a defaulting licensee's pan. The rule cast an unmerited reflection on the licensees which they rightly resented. He would have all the Salt Rules abrogated in so far as they affected the proprietors of the new factories, as all the necessary conditions were embodied in the agreements entered into by them with Government.

Coming next to the revenue derived from salt, the policy of the Government should be to confine themselves to the levy of duty and leave the sale in the hands of private persons. On the other hand, Government were now taking in addition what they chose to call " recoveries ", which in plain language meant profits made by

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Government from the sale proceeds after deducting the duty, *kudivila* and transport charges, if any. This was really indefensible.

Abkari.—Passing on to the Abkari administration, the Member reviewed with alarm the abnormal increase in the abkari revenue which in the course of the last quarter of a century rose from Rs. 4 or 5 lakhs to Rs. 26 lakhs. The policy underlying this abnormal increase was not the professed one of "maximum revenue with minimum consumption", but "maximum revenue with maximum consumption". The drink habit was terribly on the increase and it was high time for the Government to check the growing evil by making it prohibitively costly if not by prohibiting it altogether. He was not unmindful of the serious loss of revenue to Government for the time being, but he was confident that the sacrifice would be more than repaid by the increased prosperity of the people. There would be no objection to raise the required revenue even by increasing the duty on salt and other articles. Absolute prohibition might probably endanger the lives of some of the confirmed drunkards, but the welfare of the community should be valued more than the lives of a few derelicts. He, therefore, strongly advocated the abolition of toddy and arracks shops, the prohibition of the importation of foreign liquor and the penalising of drinking.

Dealing next with the details of the system of abkari administration, the Member said that he did not think that the independent shop system was suited to the conditions in Travancore where, unlike in British India, people did not live in closely packed areas and where there was abundant scope for illicit manufacture of liquor. He doubted whether tree tax was being realised on 50 per cent of the trees actually tapped. Illicit distillation of toddy was also being carried on almost everywhere in the State, though the privilege of drinking toddy and arrack was allowed only to the people of the town of Trivandrum. He recommended the "mixed" system which would allow a shop owner to tap a limited number of trees and sell both toddy and arrack distilled therefrom, as more suitable for Travancore.

Tobacco, opium and ganja.—Referring to tobacco, the Member said that it should be allowed to be cultivated in Travancore under the guidance and support of the Agricultural Department. Opium and ganja were very injurious drugs and their sale might well be stopped.

Customs.—The least harmful source of revenue was that derived from customs. With the appointment of more honest officers, with more effective check to smuggling and as the result of activities that might follow the prohibition of drink the revenue under this head was bound to double itself in the near future, without the people feeling the burden. In conclusion, the Member prayed that all his suggestions might receive the sympathetic attention of Government.

Dewan's reply.—I thank you for the very interesting paper you have read. On the suggestions made by you at the last session, some action has been taken and you have acknowledged it. You have touched on many important matters about which I cannot return a satisfactory answer in the absence of previous notice.

You have spoken about the reduction in the number of the superior officers of the Excise Department. I should like to have a discussion with you on this point after the Assembly in the presence of the Excise Commissioner. In regard to recruitment, I have no remarks to make, because the policy you want us to adopt is being followed. I am not sending out any Secretariat clerks as Excise officers and examinations requiring the possession of special qualifications in special Departments have been recently prescribed. In regard to promotions also, the policy you want us to pursue is being actually pursued. We do not follow mere seniority; the merit of the officer is also taken into consideration.

Your suggestion regarding the arrangements to be made by Government to bring brine to the various factories, etc., will receive my attention.

In regard to the extra allowance which, you urge, should be given to the Excise officers posted to the salt pans, I may tell you that we shall put up buildings

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for them very soon. The estimate for this has been received. I do not remember just now what has been done in regard to the question of allowances.

You said that 10 lakhs of maunds of local salt were available at the beginning of the year, and yet an additional quantity was indented for from outside. I think you are overlooking one fact, viz., that all the salt stored up would not be fit for consumption as soon as it is manufactured. You know that salt must be at least nine or ten months old before it can be safely consumed.

You also drew my attention to the inconsistency between the Salt Regulation and the rules framed under it and the terms of the agreements with the proprietors of salt factories. I shall look into them.

The storage of salt after weighment is a vexed question. Correspondence has been going on for the last one year. The Excise Commissioner is very much against it. I am in correspondence with the British Government in regard to the practice there in this matter. The subject is engaging my serious attention. I wish I could come to an early decision in regard to that point.

In regard to the Abkari policy of Government, or the drink policy as you call it, the Government are at one with you in the view that drink should be gradually abolished, and that the revenue from Abkari should disappear eventually. Whether all Abkari taxation should be abolished at one stroke, or whether it should be effected gradually is the question. It is a very important question, and is one which has not yet been solved in other places. The question is one which teems with difficulties. If you abolish the abkari tax, it does not follow that you abolish drinking. Illicit drinking is bound to come into existence, if that is done. However, Government are entirely in agreement with you in thinking that abkari revenue should not be a source of profit, and in course of time that revenue should disappear, and I have no doubt in regard to it whatever. The staying power of the people and the resources of the Government will increase with the abolition of the drink evil, but any sudden or drastic measures cannot but be disastrous.

20. Suggestions for the improvement of trade in Travancore with special reference to Alleppey.

Mr. K. A. Picha Bava Sahib (Member, Trading Classes, Alleppey) referred to the great loss the merchants had sustained during the European war, from which they had not yet recovered, and requested that proceedings for the levy of income-tax might be suspended for a year. He said that owing to the absence of shipping facilities in Alleppey, much of the trade got diverted to Cochin, as the customs accounts at Arukutty would show. He understood that there was a proposal to extend the railway through the interior of the country from Kottarakara or Kundara. That railway would be useless for the development of commerce. He urged the desirability of opening a line from Quilon to Arukutty *via* the sea-coast. The opening of this line, the Member said, was an unavoidable necessity for the expansion of trade and industries in the State. The chief commercial products of the country in general and those of the taluks of Karunagapalli, Kartikapalli, Mavelikara, Chengannur, Tiruvalla, Muvattupuzha and Minachil in particular, such as copra, cocoanut oil, pepper, coir and coir mats, could not find a steady market outside owing to difficulties in the matter of transport. The people engaged in trade and industrial enterprises now depended upon ordinary canoes for the transport of the local products of the country to the ports of Alleppey and Cochin for transport to other countries. Similarly, goods imported into the country through Alleppey and Cochin were taken to the different trading centres of Travancore in the ordinary canoes. This method of transport, besides entailing much loss of time and waste of money by way of freight, also resulted in theft of goods by canoemen. Thus, in the matter of both export and import of goods, the people had to undergo great difficulty, inconvenience and expenditure. He, therefore, requested that early arrangements be made for the opening of a railway line from Quilon to Arukutty *via* the sea-board taluks. The Member urged the necessity of connecting Alleppey and Changanachery by means

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